

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input checked="" type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Huron County Airport	County Huron
Fiscal Year End 12/31/2006	Opinion Date 06/06/2007	Date Audit Report Submitted to State 06/28/2007	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES NO

Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☐ ☒ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☐ ☒ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

<b>We have enclosed the following:</b>	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Brining & Nartker, P.C.		Telephone Number 989-269-9909	
Street Address 64 Westland Drive		City Bad Axe	State MI
		Zip 48413	
Authorizing CPA Signature <i>Douglas P. Brining</i>		Printed Name Douglas P. Brining	License Number 08283

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
FINANCIAL REPORT  
DECEMBER 31, 2006**

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN**

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# BRINING & NARTKER, P.C.

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## INDEPENDENT AUDITORS' REPORT

Board of County Road Commissioners of  
Huron County  
Bad Axe, Michigan 48413

We have audited the accompanying basic financial statements of the Huron County Airport, a component unit of Huron County, Michigan, as of December 31, 2006, and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the Airport's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Management has not prepared their discussion and analysis information for the Huron County Airport. This discussion is required by U.S. generally accepted accounting principles as supplemental information.

In our opinion, except for the omission of management's discussion and analysis as discussed in the previous paragraph, which results in an incomplete presentation, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Huron County Airport as of December 31, 2006, and the results of its operations for the year then ended, in conformity with U.S. generally accepted accounting principles.

The budgetary comparison information on page 10 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



BRINING & NARTKER, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

June 6, 2007

## **BASIC FINANCIAL STATEMENTS**

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2006**

**ASSETS:**

**Current assets:**

Cash	\$ 25,565
Project advances	6,323
Due from other units	23,266

**Noncurrent assets:**

Capital assets (net of accumulated depreciation)	4,236,232
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**TOTAL ASSETS**

4,291,386

**LIABILITIES:**

**Current liabilities:**

Due to other funds	38,990
Accrued interest payable	94
Installment purchase agreements payable	1,572

**Noncurrent liabilities:**

Installment purchase agreements payable	1,645
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**TOTAL LIABILITIES**

42,301

**NET ASSETS:**

**Investment in capital fixed assets**

net of related debt	4,233,015
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Unrestricted	16,070
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Restricted for capital projects	-
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**TOTAL NET ASSETS**

\$ 4,249,085

The accompanying notes are an integral part of the financial statements.

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

**PROGRAM EXPENSES:**

Public Works - Airport:

Personal services	\$ 35,279
Contracted services	25,665
Maintenance expense	13,574
Utilities	13,921
Administrative expense	11,410
Depreciation expense	100,712
Interest expense	178

<b>TOTAL PROGRAM EXPENSES</b>	<u><u>200,739</u></u>
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**PROGRAM REVENUE:**

Federal grants	235,487
State grants	356,144
Charges for services	8,524

<b>TOTAL PROGRAM REVENUE</b>	<u><u>600,155</u></u>
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<b>NET PROGRAM REVENUE</b>	<u><u>399,416</u></u>
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**GENERAL REVENUE:**

Other	660
Transfer in - primary government	95,000

<b>TOTAL GENERAL REVENUE AND TRANSFER</b>	<u><u>95,660</u></u>
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<b>CHANGE IN NET ASSETS</b>	<u><u>495,076</u></u>
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<b>NET ASSETS - BEGINNING OF YEAR</b>	3,754,009
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<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 4,249,085</u></u>
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The accompanying notes are an integral part of the financial statements.

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2006**

**ASSETS**

Cash	\$ 25,565
Project advances	6,323
Due from other units	23,266
<b>TOTAL ASSETS</b>	<b><u>\$ 55,154</u></b>

**LIABILITIES AND FUND BALANCE**

<b>LIABILITIES:</b>	
Due to other component units	\$ 38,990
<b>TOTAL LIABILITIES</b>	<b><u>38,990</u></b>
<b>FUND BALANCE:</b>	
Unreserved, undesignated	16,164
<b>TOTAL FUND BALANCE</b>	<b><u>16,164</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 55,154</u></b>

**HURON COUNTY AIRPORT  
RECONCILIATION OF THE BALANCE SHEET FUND BALANCE TO  
THE STATEMENT OF NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

Total governmental fund balance	\$ 16,164
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets (net) used in governmental activities are not financial resources and therefore are not reported in the funds.	4,236,232
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Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the Governmental Funds Balance Sheet.	(94)
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Long-term liabilities are not due in the current period and therefore are not reported as a liability in the Governmental Funds Balance Sheet.	(3,217)
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Net assets of governmental activities	<b><u>\$ 4,249,085</u></b>
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**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

REVENUES:	
Rentals and fees	\$ 7,275
Federal grants	235,487
State grants	356,144
Charges for services	1,248
Other	660
TOTAL REVENUES	<u>600,814</u>
EXPENDITURES:	
Airport operations	99,848
Capital outlay	606,021
Debt service	1,723
TOTAL EXPENDITURES	<u>707,592</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(106,778)</u>
OTHER FINANCING SOURCES (USES):	
Operating transfers in	95,000
NET CHANGE IN FUND BALANCE	<u>(11,778)</u>
FUND BALANCE - JANUARY 1	27,942
FUND BALANCE - DECEMBER 31	<u><u>\$ 16,164</u></u>

**HURON COUNTY AIRPORT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2006**

Net change in fund balance	\$ (11,778)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense:	
Capital outlay incurred in the current year	606,021
Depreciation	(100,712)
Repayment of installment purchase agreement principal is an expenditure in the governmental funds, but it reduces the long-term liabilities in the statement of net assets.	1,501
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.	44
Change in net assets of governmental activities.	<u><u>\$ 495,076</u></u>

The accompanying notes are an integral part of the financial statements.

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Huron County Airport conform to U.S. generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Huron County Airport.

**The Reporting Entity**

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by Statement No. 39, the Airport Fund is considered to be a component unit of Huron County for financial reporting purposes. The criteria established by GASB for determining various governmental organizations to be included in the financial reporting entity's statements are discussed in the following paragraphs.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The reasons cited for including the Huron County Airport as a component unit of Huron County (the primary government) include the appointment of the Road Commission's three member governing board, the ability to impose its will on the Airport and the potential for a financial benefit or burden on the County.

**Related Organizations**

The Board of County Road Commissioners is the appointed governing body of the Airport Fund of Huron County. It is also the appointed governing body of the Road Commission, Drains and Parks Funds and these funds are also component units of Huron County, but are not included in these financial statements. The component unit financial statements for the Drains, Parks and Road Commission Funds are issued in separate reports, which are available at the Huron County Road Commission office located at 417 South Hanselman Street, Bad Axe, Michigan.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements (i.e., statement of net assets and statement of activities) are reported using the economic resource measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grant and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized when it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

**Depreciation**

Capital outlays are recorded as expenditures in the Special Revenue Fund and as capital assets in the government-wide financial statements. Depreciation is recorded on capital assets on a government-wide basis using the straight-line method and following estimated useful lives:

Buildings	25-50 years
Leasehold Improvements	10-20 years

(Continued)

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006  
(CONTINUED)**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Accounting Estimates

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenditures. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**NOTE 2 - BUDGET INFORMATION**

The budget, and all amendments thereto, for the Governmental Fund is adopted by the board to the line item level on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at year end. The Airport Fund does not utilize encumbrance accounting.

Excess of Expenditures Over Appropriations in Budgetary Funds

P.A. 621 of 1978, section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

During the year ended December 31, 2006, the Airport Fund incurred expenditures in excess of the amounts appropriated, as follows:

	<u>AMOUNT APPROPRIATED</u>	<u>AMOUNT OF EXPENDITURES</u>	<u>BUDGET VARIANCE</u>
Salaries and fringe benefits	\$ 35,000	\$ 35,279	\$ 279
Maintenance and supplies	\$ 12,200	\$ 13,574	\$ 1,374
Insurance	\$ 6,300	\$ 6,709	\$ 409
Administrative expense	\$ 3,500	\$ 4,700	\$ 1,200
Capital outlay	\$ -	\$ 606,021	\$ 606,021

**NOTE 3 - CASH AND INVESTMENTS**

Deposits are carried at cost. Deposits of the Airport are at various banks in the name of the Huron County Treasurer. Michigan Compiled Laws authorize the County to deposit and invest in the accounts of Federally insured banks, credit unions and savings and loan associations with an office located in Michigan; bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan; and commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; and investment pools organized under the surplus funds investment pool act.

Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Airport's deposits are in accordance with statutory authority. The Governmental Accounting Standards Board (GASB) Statement No. 3, as amended by Statement No. 40, risk disclosures for the Airport's cash deposits are as follows:

(Continued)

**HURON COUNTY AIRPORT**  
**A COMPONENT UNIT OF HURON COUNTY, MICHIGAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**  
**(CONTINUED)**

**NOTE 3 - CASH AND INVESTMENTS** (Continued)

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Airport's deposits may not be returned to it. The Airport does not have a deposit policy for custodial credit risk. At year end, the Airport had \$25,565 of bank deposits (checking accounts, savings accounts or certificates of deposit).

For the purposes of these financial statements, the extent of FDIC insurance coverage cannot be determined because some of the accounts are maintained by the Huron County Treasurer in pooled accounts, which include other County funds that are outside of the Airport's reporting entity. These accounts are maintained at various banking institutions which are also used for deposits of other funds of the County of Huron.

**NOTE 4 - CAPITAL ASSETS**

Capital assets activity for the current year was as follows:

	Balance January 1, 2006	Additions	Deletions	Balance December 31, 2006
Capital assets, not being depreciated-				
Land	\$ 375,591	\$ 383	\$ -	\$ 375,974
Land improvements	2,665,850	9,850	-	2,675,700
Construction in progress	33,266		33,266	-
Total capital assets, not being depreciated	<u>3,074,707</u>	<u>10,233</u>	<u>33,266</u>	<u>3,051,674</u>
Capital assets, being depreciated-				
Buildings	78,000	-	-	78,000
Runway surface	640,583	16,753	-	657,336
Runway extension surface	120,994	-	-	120,994
Runway lighting	414,459	-	-	414,459
Fuel system	43,500	-	-	43,500
Perimeter fence	-	351,648	-	351,648
Apron and taxiway	-	260,653	-	260,653
	<u>1,297,536</u>	<u>629,054</u>	<u>-</u>	<u>1,926,590</u>
Less - accumulated depreciation for-				
Buildings	78,000	-	-	78,000
Runway surface	284,938	32,959	-	317,897
Runway extension surface	24,200	6,050	-	30,250
Runway lighting and marking	225,182	20,877	-	246,059
Fuel system	29,000	4,350	-	33,350
Perimeter fence	-	23,443	-	23,443
Apron and taxiway	-	13,033	-	13,033
	<u>641,320</u>	<u>100,712</u>	<u>-</u>	<u>742,032</u>
Total capital assets, being depreciated, net	<u>656,216</u>	<u>528,342</u>	<u>-</u>	<u>1,184,558</u>
Governmental activity capital assets, net	<u>\$ 3,730,923</u>	<u>\$ 538,575</u>	<u>\$ 33,266</u>	<u>\$ 4,236,232</u>

**HURON COUNTY AIRPORT  
A COMPONENT UNIT OF HURON COUNTY, MICHIGAN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006  
(CONTINUED)**

**NOTE 5 - DUE FROM/TO OTHER COMPONENT UNITS**

Interfund receivable and payable balances at December 31, 2006 are as follows:

	<u>DUE FROM</u>	<u>DUE TO</u>
Airport Fund:		
Road Fund *	<u>\$ -</u>	<u>\$ 38,990</u>

\*The Road Fund is the operating fund of the Huron County Road Commission, which is another component unit of the County of Huron. The financial statements for the Huron County Road Commission are issued under separate cover. All amounts are expected to be repaid in less than one year.

**NOTE 6 - LONG-TERM DEBT OUTSTANDING**

The following is a summary of the outstanding debt of the Huron County Airport as of December 31, 2006:

Note payable - Michigan Aeronautics Commission  
Michigan Airport Loan Program with annual  
payments of \$1,723 including interest at the  
rate of 4.7% through May 2008.

\$ 3,217

Changes in long-term debt for the year ended December 31, 2006 were as follows:

	<u>BALANCE JANUARY 1, 2006</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE DECEMBER 31, 2006</u>
Michigan Aeronautics Commission	<u>\$ 4,718</u>	<u>\$ -</u>	<u>\$ 1,501</u>	<u>\$ 3,217</u>

Annual debt service requirements to maturity are as follows at December 31:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2007	1,572	151	1,723
2008	1,645	78	1,723
	<u>\$ 3,217</u>	<u>\$ 229</u>	<u>\$ 3,446</u>

**NOTE 7- RISK MANAGEMENT**

The Airport Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Airport Fund has obtained insurance coverage for all risks, except liability, for its property through the Huron County Road Commission as a member of the Michigan County Road Commission Self Insurance Pool, a public entity risk pool. The MCRCSIP currently operates as a common risk management and insurance program which charges annual premiums to its members for coverage. The pool is self-sustaining through member premiums and provides reinsurance through commercial companies for claims in excess of \$10 million for each insured event.

The Airport Fund continues to carry commercial insurance for all liability including hangar keepers liability.

# **SUPPLEMENTAL INFORMATION**

**HURON COUNTY AIRPORT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2006**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FROM BUDGET POSITIVE (NEGATIVE)</u>
REVENUES:				
Rental and fees	\$ 9,000	\$ 7,500	7,275	\$ (225)
Federal grants	10,000	-	235,487	235,487
State grants	-	-	356,144	356,144
Fuel sales	1,200	1,250	1,248	(2)
Other	200	200	660	460
<b>TOTAL REVENUES</b>	<u>20,400</u>	<u>8,950</u>	<u>600,814</u>	<u>591,864</u>
EXPENDITURES:				
Salaries and fringe benefits	34,000	35,000	35,279	(279)
Labor and equipment rental	5,000	13,000	12,319	681
Maintenance and supplies	13,000	12,200	13,574	(1,374)
Contracted maintenance services	29,000	11,300	8,965	2,335
Utilities - office	6,700	6,900	6,204	696
Telephone	2,400	3,100	2,810	290
Runway lights	5,000	5,500	4,908	592
A.W.O.S. weather system	4,500	4,500	4,380	120
Insurance	6,300	6,300	6,709	(409)
Administrative expense	3,500	3,500	4,700	(1,200)
Capital outlay	-	-	606,021	(606,021)
Debt service:				
Principal	1,450	1,450	1,434	16
Interest	300	300	289	11
<b>TOTAL EXPENDITURES</b>	<u>111,150</u>	<u>103,050</u>	<u>707,592</u>	<u>(604,542)</u>
<b>EXCESS OF REVENUES (UNDER) EXPENDITURES</b>	<u>(90,750)</u>	<u>(94,100)</u>	<u>(106,778)</u>	<u>(12,678)</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	85,000	95,000	95,000	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>(5,750)</u>	<u>900</u>	<u>(11,778)</u>	<u>(12,678)</u>
<b>FUND BALANCE - JANUARY 1</b>	<u>27,942</u>	<u>27,942</u>	<u>27,942</u>	<u>-</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 22,192</u>	<u>\$ 28,842</u>	<u>\$ 16,164</u>	<u>\$ (12,678)</u>